

**Managed Risk Medical Insurance Board  
December 17, 2008, Public Session**

Board Members Present: Cliff Allenby (Chairman), Areta Crowell, PhD, Sophia Chang, M.D., M.P.H., Richard Figueroa.

Ex Officio Members Present: Ed Heidig (Business Transportation and Housing Agency) and Bob Sands (California Health and Human Services Agency).

Staff Present: Lesley Cummings, Executive Director; Janette Lopez, Chief Deputy Director; Seth Brunner, Acting Chief Counsel; Terresa Krum, Deputy Director for Administration; Ernesto Sanchez, Deputy Director for Eligibility, Enrollment, and Marketing; Shelley Rouillard, Deputy Director for Benefits and Quality Monitoring; Thien Lam, Operations Division Manager in the Eligibility Division; Brian O'Hara, Enrollment Entities and Certified Application Assistant Section Manager in the Eligibility Division; Sarah Soto-Taylor, Project Manager in the Eligibility Division; Mary Watanabe, Research Analyst in Benefits and Quality Monitoring; Kathy Dobrinen, Contract and Marketing Manager in the Eligibility Division; Crista Schoenfelder, Research and Quality Monitoring Unit, Maria Angel, Legal Secretary; and Stacey Sappington, Executive Assistant to the Board.

Chairman Cliff Allenby called the meeting to order at 10:33 a.m. The Board then went into Executive Session. It reconvened for Public Session at 11:33 a.m.

**REVIEW AND APPROVAL OF NOVEMBER 19, 2008 PUBLIC SESSION MINUTES**

The Board reviewed the minutes from the November 19, 2008 meeting and unanimously approved them.

The document is located at  
[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_111908/111908\\_Minutes.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_111908/111908_Minutes.pdf)

## **STATE BUDGET UPDATE**

### **Current Year Deficiency in the Healthy Families Program (HFP): Consideration of Findings Authorizing Implementation of Waiting List**

Ms. Cummings noted that much has happened since the last Board meeting where she had advised the Board of a deficiency in HFP and the concomitant need to establish a waiting list for the program on December 18<sup>th</sup>. The First Five Commission held an emergency meeting on Monday December 15<sup>th</sup> and agreed to provide funding for new enrollment of children aged zero to five into HFP beginning December 18, 2008, through June 30, 2009 - the end of the current fiscal year. This generous action provides about 96 percent of the funding needed to avert a deficiency. The remainder can likely be found in other ways. Thus, Ms. Cummings advised that she no longer recommended that the Board establish a waiting list on December 18<sup>th</sup>.

Ms. Cummings expressed MRMIB's gratitude to the First Five Commission for their incredible gift. She had been deeply touched by the strong statements of support the Commissioners made during the meeting with First Five Commission and the fact that 47 county commissions expressing their commitment to try to help. The county commissions' contributions would go to the state First Five Commission to reimburse part of the cost. Ms. Cummings also expressed her gratitude to Secretary Belshe and the Governor's Office for their facilitation of the effort.

Ms. Cummings then introduced Kris Perry, Executive Director of the California First Five Commission. Chairman Allenby warmly welcomed her and the audience applauded her. Ms. Perry commended MRMIB on the terrific work with HFP. She noted that it serves the same population that the state and county commissions have been committed to for the past ten years. Ms. Perry indicated that after the Administration and MRMIB informed the Commission of its approaching deadline for implementing a waiting list, the Commission was gratified to be able to work as part of a team to address the issue. The Commission voted unanimously to commit funds of up to \$16.75 million between now and June 30, 2009 to expand HFP coverage. The Commission knows that enrollment is on the rise and the economy is causing the rise. The Commission was also aware that 40 percent of the children who would be waitlisted would be between the ages of 0-5 and that the costs of infants is particularly expensive. The Commission thought that it was crucial to ensure that these children, particularly infants and toddlers who are in particular risk without coverage, be able to be enrolled in HFP. She was also gratified that 47 county commissions have sent letters of intent to First Five California expressing their interest in supporting the Commission in this effort.

Chairman Allenby called for questions or comments.

Ms. Cummings reviewed with the Board the documents in their packets associated with the issue.

Mr. Figueroa thanked the Commission and the local First 5 Commissions on behalf of the Governor for providing an early holiday present for California's children.

Ms. Perry in turn thanked Mr. Figueroa for the Governor's leadership around expanding coverage for kids, leadership also provided by Secretary Belshé, and Under Secretary Munso.

All of the Board members thanked Ms. Perry and the Commission.

Documents may be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_4.a.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_4.a.pdf)

### Special Session

Ms. Krum noted that after signing the budget in September, the Governor called a special session of the legislature to address infrastructure problems with the budget. None of the special session proposals related to MRMIB. The Legislature has not acted on the Governor's proposals. On December 1<sup>st</sup>, the Governor declared a fiscal emergency and called for an emergency session to again address the budget deficit. The Legislature will have 45 days to send a bill to the Governor addressing the fiscal crisis and may not adjourn until the issue is addressed.

The Legislative Analyst's Office (LAO) has recommended that funding for Healthy Families in 2009-10 be frozen at the 2008-09 levels. The LAO estimates that this would save \$28.4 million in 2009-10 and will likely cap enrollment. This issue was heard in subcommittee but no action was taken.

Chairman Allenby asked for questions or comments; there were none.

## **FEDERAL BUDGET, LEGISLATION AND EXECUTIVE BRANCH ACTIVITY**

### August 17<sup>th</sup>, 2007 CMS Letter Update

Ms. Soto-Taylor noted that there was nothing to report on the CMS letter update.

### SCHIP Reauthorization

Ms. Soto-Taylor reported that staff continue to participate in meetings with local and national advocates in addition to the National Academy for State Health Policy discussing details of a bill on SCHIP reauthorization.

There is discussion surrounding whether or not the reauthorization will be included in the economic stimulus package or if it will be submitted as a stand alone. Reauthorization is likely to look very much like the first bill vetoed by President Bush, the Children's Health Insurance Program Reauthorization Act (CHIPRA) of 2007. It also appears that the bill

would authorized use of federal SCHIP funds for legal immigrants. Few other changes to CHIPRA would be made.

Long-term reauthorization will likely be part of the healthcare reform platform at another date.

Chairman Allenby asked if there were any questions or comments; there were none.

### Federal Health Care Reform

Ms. Soto-Taylor reviewed a summary of the Baucus health care reform plan. It would create a nationwide insurance pool called a health insurance exchange that would provide healthcare coverage to every individual in the United States. It would require states to use SCHIP to cover all children who are not Medicaid eligible at or below 250 percent of the federal poverty level. States that currently cover children would be able to continue to do so at current eligibility requirements.

Chairman Allenby asked if there were any questions or comments. There were none.

The summary can be found at

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_5.c\\_Federal\\_Health\\_Care\\_Reform.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_5.c_Federal_Health_Care_Reform.pdf)

## **HEALTHY FAMILIES PROGRAM**

### Enrollment and Single Point of Entry Report

Ms. Lam reported that more than 894,000 children are enrolled in HFP, and more than 30,900 new subscribers enrolled last month, the highest number of new subscribers enrolled in the program's history for the month of November. The top five counties for enrollment continue to be in southern California, representing around 59 percent of total enrollment. Over 27,000 applications were received through the Single Point of Entry.

Chairman Allenby asked if there were any questions or comments.

Mr. Figueroa asked if the new subscribers were due to the rumor of a waiting list. Ms. Lam agreed that this appeared to be the case. Mr. Figueroa asked if that had been the case as well so far with the numbers for December. Ms. Lam replied that the data would not be available until the next meeting. Dr. Crowell added that Mr. Figueroa was likely asking if the data collected so far for December looked higher than a typical month. Ms. Lam stated that she didn't have that information at this time.

The report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_6.a\\_HFP\\_Enrollment\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_6.a_HFP_Enrollment_Report.pdf)

### Administrative Vendor Performance Report

Ms. Lam also reported on the administrative vendor report and informed the Board that the administrative vendor continues to meet all areas of performance.

The document can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_6.b\\_HFP\\_Ad\\_m\\_Vendor\\_Perf\\_November\\_2008\\_Summary.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_6.b_HFP_Ad_m_Vendor_Perf_November_2008_Summary.pdf)

Chairman Allenby asked if there were any questions or comments. There were none.

### Enrollment Entities (EE)/Certified Application Assistants (CAA) Reimbursement Report

Mr. O'Hara presented the EE/CAA report. For the fiscal year 2008-09, the program paid a total of \$2.8 million to EEs for successful enrollment in Healthy Families or Medi-Cal.

The monthly average payment based on the first five months was \$557,000. The EE reimbursement fund has a remaining balance of about \$27.6 million. Approximately \$17.4 million has been paid since fiscal year 2005-06.

As of November 30, 2008, there was a total of 20,660 certified application assistants; 3369 active enrollment entities; and a total of 4604 had passed the web-based training.

Chairman Allenby asked if there were any questions or comments. There were none.

This report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_6.c\\_HFPEE\\_ReimRpt11.08.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_6.c_HFPEE_ReimRpt11.08.pdf)

### Adoption of Emergency Regulations that Increase Subscriber Premiums, Establish Dental Benefit Cap, and Modify Vision Benefits

Mr. Sanchez noted that these regulations, consistent with the budget trailer bill, were presented to the Board at the last meeting. He then reviewed the changes that the regulations make: increasing subscriber premiums for families with incomes over 150 percent of Federal Poverty Level, establishing a dental benefit cap, and modifying vision benefits.

Mr. Sanchez asked that the Board adopt the regulations. Mr Brunner clarified that the Board needed to take two actions, one a finding of emergency and the other approval of the regulations.

Chairman Allenby asked for a motion to adopt a finding of emergency. A motion was made and seconded and the Board unanimously approved the finding designated as Agenda Item 6.d.1. Chairman Allenby then asked for a motion to adopt the regulations

designated as Agenda Item 6.d. A motion was made, seconded and the Board unanimously approved adoption.

The regulations can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_6.d\\_Premium\\_Benefit\\_Regs.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_6.d_Premium_Benefit_Regs.pdf)

#### Adoption of Emergency Regulations that allow for Enrollment of Children from the Wait List Based on Targeted Funding

Mr. Sanchez presented proposed emergency regulations that would allow for enrollment of children from the wait list based on targeted funding. The regulations also would exempt children from disenrollment at Annual Eligibility Review if they are deemed income-eligible for CCS because of their enrollment in HFP. Given that MRMIB has not implemented a waiting list for HFP, these regulations would not be going into effect at this time. Mr. Sanchez reviewed the regulations page by page and indicated that staff would seek approval of the regulations at the next meeting.

Chairman Allenby asked if there were any questions or comments. There were none.

The regulations can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_6.e\\_Wait\\_List\\_Target\\_Funding\\_Regs.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_6.e_Wait_List_Target_Funding_Regs.pdf)

#### Advisory Panel Report

Mr. Sanchez reported to the Board on the HFP Advisory Panel meeting held on November 4, 2008, noting that two new members were appointed. Members were trained on the Bagley-Keene Act and the panel were given an overview of MRMIB's meetings since the Panel had last met.

Chairman Allenby asked if there were any questions or comments. There were none.

The summary can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_6.f\\_Advisory\\_Panel\\_Summary.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_6.f_Advisory_Panel_Summary.pdf)

#### 2007 Healthcare Effectiveness Data and Information Set (HEDIS) Report 2007

Ms. Rouillard introduced Ms. Mary Watanabe who would be reporting on the Healthcare Effectiveness Data and Information Set (HEDIS) Report and noted that Ms. Watanabe recently received a promotion.

Chairman Allenby congratulated her on her promotion.

Ms. Watanabe had briefly gone over the report findings at the Board's prior meeting. For this meeting, she reviewed the report's findings in greater detail.

Plans submitted data for 11 HEDIS measures, including three new measures. Overall the results are positive and indicate that children are getting the recommended services and appropriate testing and treatment. Generally, the rates continue to improve and are very close to commercial averages.

Ms. Watanabe reviewed the results for each of the HEDIS measures. She then acknowledged the following plans for top performance: Alameda Alliance for Health, Kaiser Permanente North, Cal Optima Kids, and San Francisco Health Plan. The five plans that had four or more rates below commercial rates were: CareFirst Health Plan, Community Health Plan, Community Health Group, and LA Care Health Plan.

Dr. Crowell thanked staff for the revisions made since the last meeting. She thought that the report was excellent and looked forward to staff discussions with plans on bringing performance levels to commercial plan levels. She expressed continued concern about adolescents.

Dr. Chang added that the low rate of substance abuse services was a significant concern.

Chairman Allenby asked if there were any other questions or comments.

The Board members again complimented staff on a great report.

The report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_6.g\\_2007\\_HE\\_DIS\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_6.g_2007_HE_DIS_Report.pdf)

Current Year Deficiency in the Healthy Families Program (HFP): Consideration of Findings Authorizing Implementation of Waiting List

Chairman Allenby noted that he had failed to request questions or comments during the item regarding the waiting list. He invited public comment.

Cliff Sarkin from the Children's Defense Fund, the 100 Percent Campaign, and PICO California thanked the Board for the opportunity to speak. He also thanked the First Five Commission for their amazing gift, the Board for their hard work behind the scenes to work on behalf of the kids in the program and Secretary Belshè and Senator Steinberg and his staff, Senator Alquist and Assemblymember Jones.

Mr. Sarkin commented on the number of calls advocate groups had received from families concerned about a possible wait list. He urged the Board to take aggressive action to inform families and CAA's that the program will continue to enroll children. He

also urged the Board to work out ways to ensure this type of situation could be avoided in the future.

He stated that advocates were looking forward to working with MRMIB staff in gaining SCHIP Reauthorization.

Chairman Allenby thanked Mr. Sarkin for his time. Ms. Cummings added that staff had already put notices on the Health Families and CAA websites informing potential applicants that the program is open for new enrollments.

#### Advisory Committee on Quality Status Report

Cristal Schoenfelder reported that the committee last met on November 20th and had three new members on the committee, Dr. Aaron Zaheer, pediatric specialist, Alyce Adams, plan representative and researcher, and Dr. John Pescetti representing a community clinic. There are two departing members. One, a family member representative, Tawnya Soden, and Caroline Rivas with Community Health Councils.

There were two co-chairs selected for the committee, Dr. Paul Kurtin and Ellen Wu. Staff had pre-meeting conference calls with them to discuss action items and create agendas for upcoming meetings.

The focus of this meeting was to inform members about current HFP quality monitoring activities by reviewing the CAHPS and YAHCS, HEDIS and cultural and linguistic services reports.

Committee members discussed ideas for future quality indicators. Members are interested in influencing provider behavior, an operational challenge for MRMIB because the Board contracts with plans, not providers. Staff presented on the concept of patient centered medical homes. Committee members made a number of suggestions about additional resources to consult.

Next steps are to consider a quality improvement project and to consider other types of measures than HEDIS. Members felt it important to build upon improvement in existing measures as opposed to choosing new ones. The next meeting is January 29, 2009.

Chairman Allenby asked if there were any questions or comments.

Dr. Chang indicated that the patient-centered medical home is a complex concept that is being implemented and paid for in a whole range of ways across the country. She offered to discuss the subject further with staff and cautioned that it would be difficult to implement in a delegated model.

### **ACCESS FOR INFANTS AND MOTHERS (AIM)**

#### Enrollment Report



Ms. Dobrinen reported on AIM enrollment

In November there were 977 new subscribers enrolled in the program. The program had 7286 subscribers currently enrolled. The majority of enrollment continued to be Latina. The percentage of enrollment in specific counties did not experience any notable changes. Los Angeles, San Diego and Orange Counties are still the top three counties, and they represent roughly 48 percent of the enrollment. The health plans subscribers are enrolled in did not significantly change compared to last month.

Chairman Allenby asked if there were any questions or comments. There were none.

This report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_7.a\\_AIM\\_Enrollment\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_7.a_AIM_Enrollment_Report.pdf)

#### Administrative Vendor Performance Report

Ms. Dobrinen reported that the administrative vendor continued to meet all seven areas of performance and quality accuracy standards.

Chairman Allenby asked if there were any questions or comments. There were none.

This report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_7.b\\_AIM\\_Admin\\_Vendor\\_Perf\\_November\\_2008\\_Summary.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_7.b_AIM_Admin_Vendor_Perf_November_2008_Summary.pdf)

#### 2008-09 AIM Plan Coverage Area Update

Ms. Lopez reported on the conclusion of the AIM contracting process and noted that the contracts would go into effect on February 1, 2009. She reviewed a grid that details plans by county.

Chairman Allenby asked if there were any questions or comments.

Dr. Crowell commented that Ms. Lopez did a good job.

Mr. David Ford with the California Medical Association asked for clarification on rumors that Anthem Blue Cross was going to be dropping coverage in 11 counties for HFP.

Ms. Lopez clarified that when a plan drops out of HFP, they are no longer eligible to participate in the AIM program. She informed Mr. Ford that there was a grid for HFP, presented two meetings ago, that detailed HFP plans by county. It is available on the HFP website. She noted one change: Anthem Blue Cross had pulled out of Del Norte County for HFP, but came back in order to continue participation in the AIM program.

Ms. Cummings added that Blue Cross did withdraw from a number of counties and 60,000 children were being moved as a result, from that plan to another.

This report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_7.c\\_AIM\\_Coverage\\_Areas\\_2008-09.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_7.c_AIM_Coverage_Areas_2008-09.pdf)

#### Financial Report

Chairman Allenby announced that the Board would be dispensing with the Report at this meeting.

### **MAJOR RISK MEDICAL INSURANCE PROGRAM (MRMIP)**

#### Enrollment Report

Mr. Sanchez reported that in November, there were 114 new individuals enrolled in the MRMIP program.

The report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_8.a\\_MRMIP\\_Enrollment\\_Report.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_8.a_MRMIP_Enrollment_Report.pdf)

#### Update on Enrollment Cap and Waiting List

Mr. Sanchez updated the Board on the take-up rate from the 915 slots that were offered, based on the funding received from SB 1379. Six hundred and five of the individuals took up the offers to take coverage, which is about a 66 percent take-up rate.

Staff also surveyed individuals that did not take the offer. The top four reasons given for not taking the coverage offer were: they became Medicare eligible, found other coverage, were into their deferred enrollment period (and will eventually come into the MRMIP program), and no reason given.

Enrollment is 179 slots above the new enrollment cap that was established in October and it is anticipated that the numbers will slowly attrit down to that cap level before offering new slots.

Since the slots have been offered the wait list ,due to closed enrollment, has increased to 248. This number will grow because of the need to attrit down to the enrollment cap.

Chairman Allenby asked if there were any questions or comments. There were none.

This report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_8.b\\_MRMIP\\_Weekly\\_Wait\\_List\\_12-15-08-08.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_8.b_MRMIP_Weekly_Wait_List_12-15-08-08.pdf)

### Administrative Vendor Performance Report

Mr. Sanchez reported that the administrative vendor had met all of its requirements.

Chairman Allenby asked if there were any questions or comments. There were none.

This report can be found at:

[http://www.mrmib.ca.gov/MRMIB/Agenda\\_Minutes\\_121708/Agenda\\_Item\\_8.c\\_MRMIP\\_Adm\\_Vendor\\_Perf\\_for\\_October\\_2008.pdf](http://www.mrmib.ca.gov/MRMIB/Agenda_Minutes_121708/Agenda_Item_8.c_MRMIP_Adm_Vendor_Perf_for_October_2008.pdf)

There being no further business to come before the Board, Chairman Allenby duly adjourned the meeting at 12:36 p.m.